



#41651

**DATE:** AUGUST 11, 2017

**SUBJECT:** CU BANCORP - ANTICIPATED ADJUSTMENT  
OPTION SYMBOL: CUNB  
NEW SYMBOL: PACW1  
DATE: ???

**Contract Adjustment**

**DATE:** Effective the opening of the business day after the merger is consummated. Contract adjustment is anticipated to occur by the fourth quarter of 2017.

**OPTION SYMBOL:** CUNB changes to PACW1

**STRIKE DIVISOR:** 1

**CONTRACTS MULTIPLIER:** 1

**NEW MULTIPLIER:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 35.00 yields \$3,500.00)

**NEW DELIVERABLE PER CONTRACT:**

- 1) 53 PacWest Bancorp (PACW) Common Shares, subject to adjustment as described in the Proxy Statement dated July 24, 2017 (“Proxy”)
- 2) Cash in lieu of 0.08 fractional PACW shares, subject to adjustment as described in the Proxy
- 3) \$1,200.00 Cash (\$12.00 x 100), subject to adjustment as described in the Proxy

**CUSIP:** PACW: 695263103

**PRICING**

Until the cash in lieu amount is determined and if the terms are unchanged, the underlying price for PACW1 will be determined as follows:

$$\text{PACW1} = 0.5308 (\text{PACW}) + 12.00$$

**DELAYED SETTLEMENT**

The PACW component of the PACW1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the PACW1 deliverable until the cash in lieu of fractional PACW shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

## **BACKGROUND**

On August 24, 2017, Shareholders of CU Bancorp (CUNB) will vote concerning the proposed merger with PacWest Bancorp (PACW). If the merger is approved and consummated, each existing CUNB Common Share will be converted into the right to receive 0.5308 PACW Common Shares plus \$12.00 Cash. The merger consideration is subject to adjustment as described in the Proxy. Cash will be paid in lieu of fractional PACW shares.

## **DISCLAIMER**

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email [investorservices@theocc.com](mailto:investorservices@theocc.com). Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theocc.com](mailto:memberservices@theocc.com).